

AGENDA ITEM

143 NOVEMBER

DATE: November 3, 2011

TO: Members, Board Committee on Planning, Program
Development and Budget
Members, Board of Governors

FROM: Information Technology

SUBJECT: Contract Authorization

EXECUTIVE SUMMARY

Under Board Policy, Tab 17 [Control Policies & Procedures], Article 3 [Contracts], Section 2 [Authority], contracts in excess of \$75,000 involving consulting services, capital equipment, or technology purchases must be authorized by the Board of Governors. Authority is sought here to proceed with the contracts described in this item.

BACKGROUND

Tab 17 [Control Policies & Procedures], Article 3 [Contracts], Section 2 [Authority] of the Board's Policy Book states as follows:

"No contracts or consulting services, capital equipment, or technology purchases exceeding \$75,000 may be entered into, by or on behalf of the State Bar unless authorized by the Board of Governors. Any future amendments to a contract originally below the \$75,000 threshold that will result in bringing the total contract amount to this level will also require Board approval.

Exempted are those contracts associated with the normal operations of the Bar including but not limited to site agreements, Admissions consultants, IOLTA and Equal Access grant distributions, and other routine contracted services exceeding \$75,000.

Also exempted are cases of emergency where purchases necessary for the immediate preservation of the public health, welfare or safety, or protection of State Bar employees or property provided the details justifying an emergency contract and other supporting documentation being reported to the Board at its next schedule meeting."

This policy was recently adopted as amended by the Board of Governors at its March, 2010 meeting.

ISSUE

1. IT: LA Internet Service Provider

AT&T currently provides internet service to the Los Angeles office under the CalNet2 agreement. The service is a fractional Digital Signal 3 (DS3), which is a portion of a 45 Megabits per second (Mbps) data circuit, and Internet Services Provider (ISP). Under the agreement, AT&T allocates a fraction of the 45 Mbps – in our case, a 10 Mbps pipe, for our Internet usage. The annual cost for this service is \$26,760.

The replacement service proposed is a 100 Mbps circuit or pipe and ISP. The annual cost will be \$30,000. The contract is for a 3-year term for \$90,000 with two 1-year options to renew at the same annual rate for a 5-year total of \$150,000. IT worked with Procurement to issue an RFP for the replacement of the service. Four carriers responded. A 6-person evaluation team assessed and rated those responses and selected a winning bidder.

The vendor chosen was Intellectrace, a network services ‘Broker’ from whom we purchased the San Francisco ISP (Feb. 2011) and the Wide Area Network circuit (Nov. 2010). Intellectrace will utilize Verizon’s network for a 100 Mbps circuit and Internet Services for the LA office. A comparison of costs for a 45 Mbps circuit vs. a 100 Mbps circuit revealed pricing so close that it made sense to move ahead with the larger pipe so as to assure that there is ample network bandwidth to support the LA office and the potential implementation of more bandwidth intensive applications well into the future.

The contract will be for a 3-year term with two 1-year options to renew. Authority is sought to proceed with the State Bar’s regular Procurement Process on obtaining the services described above.

Authority to proceed with the ISP RFP award is requested. Upon approval, contract negotiation will begin with installation orders to follow. Upon completion, the bar will have all network services secured with the various providers into 2015. It is recommended that the Board authorize the bar to proceed with this procurement.

2. IT Programming Services:

Packaged Business System, Inc. (PBSI) is a computer programming, consulting and temporary employee assistance firm specializing in the AS400 system that is the platform for most all of the State Bar’s “mission critical” IT systems. The State

Bar has regularly contracted with PBSI for regular programming and other AS400 assistance as needed. The services PSBI provides are not available from regular State Bar staff.

The State Bar currently has a standing Purchase Order in position and a contract with PBSI for temporary IT programming and AS400 specialty assistance of this nature. The existing funds on this Purchase order are approaching exhaustion. HR and IT have requested a \$200,000 enhancement to the existing PBSI Purchase order to cover critical and other incidental AS400 programming needs that will arise through the end of 2011 and through 2012. This is within existing budget parameters. Approval of this project is requested.

CONCLUSION

Authority to proceed with these contracts is requested. It is recommended that each of the contracts described be authorized by the Board within the general parameters set forth. If the Board Committee and Board agree, the resolution below is recommended.

FISCAL / PERSONNEL IMPACT:

The personnel and budget impact is as set forth in the item.

RULE AMENDMENTS:

None

BOARD BOOK IMPACT:

None

PROPOSED BOARD COMMITTEE RESOLUTION:

Should the Board Committee on Planning, Program Development and Budget agree with the above recommendation, the following resolution would be appropriate:

RESOLVED, that the Board Committee on Planning, Program Development and Budget authorizes staff to proceed with the contracts identified in the item before the committee this date, within the parameters set forth.

PROPOSED BOARD OF GOVERNORS RESOLUTION:

Should the Board concur with the Board Committee on Planning, Program Development and Budget's recommendation, the following resolution would be in order:

RESOLVED, that upon the recommendation of the Board Committee on Planning, Program Development and Budget, the Board of Governors authorizes

staff to proceed with the contracts identified in the item before the Board this date, within the parameters set forth.